

# 2

## Philanthropic behaviour

This chapter describes the special characteristics and activities associated with ‘public philanthropy’ prior to commencing the historical account of the development and uses of vocational education and training in the Northern Territory. The benevolent behaviour of the Northern Territory ministers who have had responsibility for training since self-government in 1978 (full local responsibility for education and training was formally obtained in July 1979) is considerably more nuanced and purposeful than simplistic acts of charity or patronage for favoured individuals or organisations. Ministerial direction of training policy, programs and large sums of money provides a non-coercive form of social control that is targeted at the socioeconomic development of the jurisdiction and its inhabitants. Furthermore, the use of public philanthropy, a bipartisan technique mobilised by whichever political party forms government, is explicitly accepted and even expected by the population. The importance of the relationship between the electorate and the minister, who seeks to be entrusted with temporary control of the public’s munificence, cannot be over emphasised.

Following the explanation of some general observations about philanthropy, specific Australian characteristics that modify and contextualise its enactment are described. The actions of the super-rich or wealthy philanthropists will then be joined to a consideration of the types of behaviour exhibited by ministers acting as wealthy public philanthropists and their unwavering commitment to ‘improving’ society through the specification of economic goals.

Philanthropy ‘conjoins a resolute sentiment of sympathetic identification of others, a thoughtful discernment of what needs to be done and a strategic course of action aimed at meeting the needs of others’ (Schervish 1998, p. 600). It is not defined by volunteerism and is not alone in attending to the public good. The distinctive features of philanthropy lie in the kinds of signals it pays attention to in ‘deciding what needs of which people’ are heeded in order to improve society (Schervish 1998, p. 600). In the Northern Territory, the generation of these signals is intensely personal—most ministers are usually greeted with their given name and they individually come to know each of the major participants in the training system. Successful ministers are constantly testing the pulse of the electorate and specialise in minutiae because no decision is insignificant when calculating the potential electoral consequences (Weller & Sanders 1982).

Brody (1987) believes that many contemporary democratic states have replaced the need for and taken over the role of private philanthropy in the name of providing universal services, as a right of citizenship, in order to increase the general welfare. These activities are funded by progressive rates of taxation. The early twentieth-century Australian experience described by Lyons (2001, pp. 100–102) demonstrates a ‘nationalisation’ of many so-called ‘third sector’ non-profit organisations as they accepted increased tax-payer funding and additional government regulation that accompanied gaining access to the public purse. Following World War Two, a lasting legacy of this additional government support was a decline in private philanthropy. For example, Brennan (1994) provides a detailed account of this phenomenon in the childcare sector. Over several decades, community interest in the development of preschool-aged children shifted from the philanthropic provision of kindergartens designed to instil middle-class values into poverty-stricken nineteenth-century working-class children to an economic and productivity calculation of the cost of providing Commonwealth Government childcare subsidies in the twentieth century. Government action was instigated by an economically driven agenda to increase workforce participation and respond to elements of a much broader feminist agenda according to Brennan (1994). The eventual departure from not-for-profit provision of childcare was rather an easy move since ‘Australian giving is shaped by its historical and political leanings towards the welfare state’; also, citizens believe that government has a rightful place in the provision of public philanthropy as a collective responsibility springing from the peculiar Australian brand

of egalitarianism that accepts some market-driven behaviours (McDonald & Scaife 2011, pp. 315–321). Wolf (1989, p. 30) observes, ‘Most public policy decisions are usually even more concerned with distributional issues (namely, who gets the benefits and who pays the costs) rather than efficiency issues (namely, how large are the benefits and costs)’.

Philanthropy is a form of social behaviour that provides a direct, rather than indirect, expression of social involvement via the redistribution of wealth. Donors offer money, time and ideas for specific programs that they then seek to control. Philanthropy always has something to do with power and the direction of society with a particular focus on the maintenance of society as a social system. ‘Philanthropists show personal initiative, triggered by strong commitments to the goals they want to support. They are not obliged to give; instead they are willing to give’ (Schuyt, Bekkers & Smit 2010, p. 4). In addition, ‘the concept of philanthropy has been modified in accordance with the evolution of societies, economics and politics, particularly, the role of the state’ (Daly 2012, p. 548). Governments have embraced public philanthropic behaviour as they have simultaneously deployed more centralised managerial styles of governance. The increased provision of public resources to both private and non-profit organisations, contracted to operate specified programs, allows ministers and senior bureaucrats to concentrate upon policy and funding decisions (Zoellner 2013a). With the benefit of hindsight and due to the unique historic pattern of constitutional development, it can be shown that the Northern Territory Government has applied the principles now known as ‘new public management’ to vocational education and training even before the phrase became fashionable in the 1980s. The net result has been described by Dollery and Wallis (2003, p. 31) as ‘philanthropic paternalism’ through which the affluent philanthropic donors may impose their own preferences on the operations of voluntary and non-profit organisations that have been contracted to deliver services on behalf of governments.

According to Coutsoukis (1999, p. 3), the focus on managerial approaches to public giving is more frequently aligned with setting and measuring quantifiable impact that does good for the community. However, public philanthropy is never an exclusively strategic intervention into social control and improvement because of community emergencies, non-strategic community needs, other government priorities and pressure to participate in popular causes (Coutsoukis 1999, p. 6). In spite of Australia’s general acceptance of neo-classical economics where the ideal is a free market, government financial intervention is a widely used mechanism

to protect against or deal with cases of market failure (Lyons 2001, p. 199). For vocational education and training in the Northern Territory the dangers of market failure are ever-present due to remoteness, small populations giving rise to 'thin markets', a tiny economic base reminiscent of a developing country and only a handful of training providers. Australians generally, and Northern Territorians specifically, expect government ministers to be actively involved when it comes to training the potential workforce.

There is an unstated acceptance on the part of both ministers and the public that the primary objective of giving behaviour is the creation of social value and not personal gain on the part of politicians (Daly 2012, p. 546). The Northern Territory's deployment of vocational education and training as a tool of government mostly conforms to the ethical arguments for greater equity identified by Lyons (2001, p. 105):

- modern market economies induce extremes of income and poverty that can be ameliorated by redistributive policy interventions;
- people do not always behave in their own interests; and
- increased training provides more equal economic opportunity.

The strong emphasis on corporate managerialism that accompanied the widespread adoption of new public management practices into Australian governments guided and simultaneously narrowed the range of behaviours available to government ministers. The major feature of this style of management means that the operations of government are facilitated through contractual arrangements between an agent and the principal (Hill & Hupe 2002, p. 110). In Northern Territory vocational education and training, the mundane activities of teaching, assessing and reporting on skills acquisition are conducted by a variety of public and private training providers (agents) that are responsive to government bodies that in turn are answerable to a minister (principals) for contractually specified outputs, quality processes and the provision of information and data in nationally determined formats. The incorporation of new public management into the fledgling Northern Territory Government operations in conjunction with self-government in 1978 has not hindered the minister's capacity to operate as a philanthropist, but it has aligned the way they operate with an identifiable sub-group of philanthropists. This cluster has been described as the wealthy (Schervish, Herman & Rhenisch 1986) or even as the super-rich (Hay & Muller 2013).

Once an elected member of the Legislative Assembly takes on the role of the minister with responsibility for training, their professional and personal lives become much more complicated. In order to be re-elected and project a positive image of government, they must maintain the intimate relationship with their electorate. On the other hand, they have gained jurisdiction-wide and national responsibilities that cannot be ignored and, if cleverly managed, can be turned to the financial advantage of the Northern Territory and the chance of further electoral success. As previously described, the importance of maintaining touch with the local constituency cannot be overemphasised in the tiny Northern Territory electoral divisions—each having around 5,000 registered voters in 2012. Just a few hundred voters changing their support for a particular candidate can result in quite large statistical swings. Having reiterated the omnipresence of parochial considerations, the object of attention now turns to the role that the local member assumes when entering Cabinet and ministerial office.

Because vocational education and training has been made operational in the Northern Territory through the agent–principal contractual arrangements associated with new public management, the local minister is in a political ‘sweet spot’. With the risk of failure, the messiness of day-to-day operations and human resource management all contracted away, the minister can focus upon policy and funding (Zoellner 2013a). Obviously, with a large sum of money at his or her disposal, the minister of the day can gain the support of Cabinet colleagues to determine what programs, organisations and individuals are to be subsidised with public dollars. More subtly, and possibly even more importantly, the minister interacts with constituents on the basis of all care but minimal operational responsibility. The minister can receive complaints from disgruntled members of the public and display genuine empathy and sympathy. Equally, he or she can be successfully lobbied to finance the alleged training needs of particular industry sectors or even individual businesses. For example, the ministerial files of the first Chief Minister of the Northern Territory, Paul Everingham, and his Minister for Education, Jim Robertson, bulge with written requests for vocational education and training facilities; these include the establishment of the Gillen House hospitality and tourism training building in Alice Springs (instead of Darwin), the establishment of the Community College of Central Australia and supporting the agricultural industry by the establishment of

a Katherine Rural Education Centre (Northern Territory Archives Service 1977–1979). As will be shown later, each of these extensive lobbying efforts was successful.

In support of the local electors and potential campaign donors, ministerial staff frequently query training providers at quite detailed levels in order to provide the minister with information, invariably referred to as ‘good news stories’ that can be used to demonstrate that the minister has ‘done something’ on behalf of citizens. Having access to around \$100 million each year, pursuing a specific socioeconomic policy agenda and being insulated from operational responsibilities serves to position the minister as a wealthy philanthropist. He or she can intervene as much or as little as is felt to be politically advantageous and exert significant amounts of control over the behaviour of the population in terms of the quantities of training and the areas of the economy that are going to be allocated public funding to improve the skills base. Archer (2012), for example, has described the gradual decrease in public financial support for the arts community that has forced many Australian tertiary education and training programs to either close completely or drastically reduce their scale of operations. The Northern Territory also demonstrates this judgemental process with its gradual removal of public funding for the Adult and Community Education providers culminating in no allocations being made since 2010 (National Centre for Vocational Education Research 2014, Northern Territory Table 15).

The trappings of ministerial office further reinforce the image of a well-heeled patron guiding vocational education and training. The ministerial suites are located on the top floor of the Northern Territory Parliament House and command sweeping views of Darwin Harbour. Ministers are delivered into the basement of the building in chauffeur-driven sedans and use a private lift to convey them to their offices. Constituents wishing to complain to, lobby or hold discussions with the minister must enter the building through an airport-style security checkpoint in the main street-level entrance and then be escorted to the suite. Once there, a number of ministerial officers and advisors are seen to be busily tending to the business of executive government. Depending upon the perceived status of the visitor and their relationship with the minister, the meeting venue can either be in a well-appointed, windowless meeting room or in the minister’s wood-panelled office with its expansive panorama that is visible from the equally sprawling handmade wooden desk. For most visitors, the meeting is also attended by an advisor who makes notes and

often poses questions on behalf of the minister. Cups of coffee and tea are freely available as a symbol of ministerial generosity. The minister's diary is permanently overcommitted and various minders will ensure that meetings do not run over time or even end meetings quite abruptly with veiled references to emergencies or crucial matters of state suddenly arising. The net effect of this process is that the visitor is left with the impression that they have been very lucky to have gained direct access to the minister and privileged to be able to present their case to this very important and resource-laden person. Of course, the foregoing describes a stereotypic characterisation of the conduct of the very wealthy as well.



Figure 1. Paul Henderson, minister, second from right, and guests on the fifth-floor balcony of the Northern Territory Parliament House, 2005.

Source: Creator Northern Territory Government Photographer. PH0730/2184.  
Northern Territory Government Photographer Collection, Northern Territory Library.

It has been theorised that the distinctive contribution of affluence to philanthropic behaviour 'is that wealth affords individuals the means for moving from being simply consumers of the social agenda to being producers of it' (Schervish, Herman & Rhenisch 1986, p. 9). Philanthropy of the wealthy contributes to this productive function by redistributing resources to individuals and organisations to cater for expressed needs and to achieve their goals:

But the fact remains that the most telling characteristic of philanthropy when conjoined to wealth is its potential to actively create the public agenda by directly producing the institutions capable of achieving that public agenda. Through concerted philanthropic efforts, the wealthy, for good or for ill, for progressive or conservative ends, actually produce (rather than simply run or influence) the organisational world at the cutting edge of society (Schervish, Herman & Rhenisch 1986, pp. 10–11).

It has been long recognised that for certain groups of individuals and social institutions, socially necessary outcomes have not been provided by the untrammelled workings of the market economy. Philanthropy has, in some areas, replaced the market as a means to meet social and economic needs (Schervish, Herman & Rhenisch 1986, p. 6).

While some of the theorisation about the philanthropic behaviour of the wealthy is relatively recent, acknowledging the productive activities that arise from the coincidence of wealth and a specific agenda is not new. The Rockefeller Foundation in the United States is credited with the creation of the social sciences as a university-level field of study during the inter-war period (Patterson 2001, p. 73). For example, John D Rockefeller, having personally founded the University of Chicago in 1892, used his various foundations to spend more than US\$50 million in the 1920s and 1930s directed at:

making the social sciences more scientific in order to promote social and economic stability, to eliminate subjective studies of social phenomena and to develop more effective methods of social control (Patterson 2001, p. 73).

The Rockefeller Foundation's influence reached all the way to Australia by funding the development of an anthropology program at the University of Sydney to be focused 'especially in colonial practices and the social management of natives' (Patterson 2001, p. 73). Given the prominence of racial considerations in Australian public policy in the inter-war period, it is easy to understand this particular endowment. We will return to the theme of race in the following chapters.

Hay and Muller (2013) have offered a more recent analysis of the giving behaviours of the group they call the 'super-rich' that results in 'super-philanthropy'. They believe that this new philanthropy links wealth with an attitude of responsibility that is also bound to public policy. Donors tend to support familiar people and organisations and their impact 'helps

shape as well as contribute to causes' (Hay & Muller 2013, p. 6). These wealthy philanthropists tend to target problems rather than institutions by supporting specific solutions. They also want to have a part in shaping the social and economic institutions of a region that is 'manifested in community polity and civic commitment' (Hay & Muller 2013, p. 7). Sara Blakely, the founder of the company that makes and sells the wildly successful undergarments called 'Spanx', states that philanthropy is part of her company's culture. Having made 'the world a better place, one butt at a time', she now wishes to do the same 'one woman at a time' by supporting women allowing them to 'prosper, invent, be educated, start their own businesses and run for office' (Blakely 2013). In her 'giving pledge' that is inspired by the Bill & Melinda Gates Foundation and the actions of Warren Buffett, this highly successful business woman describes how she will use her wealth to promote American market capitalism and enhance the role played by female entrepreneurs (Blakely 2013). As a wealthy philanthropist, Blakely intends to solve problems of gender inequality through the provision of formal education and business support designed to increase the economic participation and success of women in advanced market democracies.

Before turning to the specific characteristics of Northern Territory ministers and their use of vocational education and training, there is a final consideration in the historical development of the wealthy philanthropist—linking their favoured projects to the actions of a democratically elected government. For this we return to the activities of the Rockefeller Foundation and one of its early sub-entities, the Laura Spelman Rockefeller Memorial. This memorial fund was established by John D Rockefeller, Senior, in 1918 in memory of his wife and it eventually consolidated with the Rockefeller Foundation in 1929. This fund supported health initiatives around the world as well as providing the initial finance for the establishment of the various social sciences as respected academic disciplines (Fisher 1983). The major goal was the creation of 'the objective knowledge that could result from scientific research [that] could in turn lead to greater *social control*' (Fisher 1983, p. 210, emphasis in original).

Throughout the 1920s and 1930s the efforts of these foundations were directed at supporting individuals and organisations that would produce social science research deemed to be useful in ordinary practical affairs and 'that could be directly utilised to increase social control' as an alternative to the rise of both communism and fascism in Europe

(Fisher 1983, p. 213). In response to the policy elite's widespread concern over the possible demise of liberal democratic capitalism due to the prolonged economic depression, the Rockefeller Foundation sponsored scientific research that would improve living standards in order to maintain social order. It was envisaged that these outcomes would be achieved through the operation of an 'efficient democracy' whose actions were guided by centralised control and coordinated planning (Fisher 1983, p. 223). As we have seen, these are similar to the intended benefits attributable to new public management.

Up to this point, it has been demonstrated that wealthy philanthropists are active in the production of programs and institutions that promote their own views about how to improve the social and economic characteristics of society and even the world. There is little evidence that the super-rich 'pursue a crudely self-interested public agenda or single-handedly accomplish it' (Schervish, Herman & Rhenisch 1986, p. 10). In fact, wealthy philanthropists frequently intervene to either complement market mechanisms or even to replace the market as a means to fulfil social and economic needs (Schervish, Herman & Rhenisch 1986, p. 6). It has also been contended that when acting in their Cabinet capacity, Northern Territory Government ministers display behaviours that are similar to the wealthy. This conduct is sanctioned by the voting public in part due to the Australian culture of egalitarianism that does not celebrate wealth or individual financial achievement (McDonald & Scaife 2011, p. 314). Helping behaviour is viewed as an Antipodean group norm that 'will emphasise collective responsibility, specifically, government responsibility' for the alleviation of social problems (McDonald & Scaife 2011, p. 315). Northern Territory Government ministers are guided by both a mandate and an expectation to take charge of the collective wealth, that is the public purse, and do good things with it. The use of new public management principles further supports the philanthropic nature of ministerial behaviour in vocational education and training by distancing the politicians from direct personal responsibility for the problems of daily operational matters, while still allowing them to claim success when the expected outputs are achieved. Through the use of extensive planning, budgeting and reporting mechanisms, ministers can direct support to individuals, businesses and institutions they believe are best placed to contribute to the social and economic development of Australia's most sparsely settled political jurisdiction.

Following the lead of Gordon (1991, p. 3), the remainder of this chapter is based upon a specific way of thinking about the practice of government—one that pays more attention to the routines and performance of government and less attention to its institutions. Such a rationality, focused upon the ‘how’ of government, relies upon two inter-related propositions. The first is that the aim of modern government is to guide the development of individuals in such a way as to also foster a general improvement of the state (Gordon 1991, p. 10). The other allows for the governance of the population through the use of expert systems and knowledge that can identify problematic individuals and groups in society who display a combination of characteristics that can be deemed to present a significant, albeit involuntary, risk to themselves or the community (Gordon 1991, p. 45). For example, in a 2004 study into the use of vocational education and training as a pathway to employment in the Northern Territory, ‘five employment disadvantaged groups—youth, people with disabilities, long term unemployed, mature aged people and people from a non-English speaking background’ were singled out for special consideration as being at risk of adding to the unemployment figures (Falk et al. 2004, p. ix).

In the Northern Territory, these challenging groups frequently include Indigenous people and have also been further refined to include the unskilled, the geographically isolated, unemployed youth, women, young people who leave school before year 12, single mothers, those on welfare benefits, convicted criminals, the disabled and those with low levels of literacy and numeracy. These sets are frequently represented as having become problematic due to market failure that can be addressed by non-market interventions such as philanthropy. For example, the high level of unemployment benefits directed at residents who live in remote Indigenous communities is frequently attributed to the absence of market economies that can provide local employment opportunities and the unintended outcomes of public policy to do with award rates of pay, the financial year budget cycles used by governments, new technologies and unionism (for example see Shimpo 1985, p. 47).

The accumulated public wealth held by government and directed by the minister provides the means to produce the social agenda and the institutions capable of implementing the programs that support the intended improvements to society. Possibly the most prominent example of this behaviour in the Northern Territory was the creation and support of the various institutions that have become Charles Darwin University.

The Northern Territory Government prioritised the local provision of higher education in the face of implacable opposition of Commonwealth funding agencies, isolation, small population and reputational concerns on the basis that this institution was required to allow for the social, cultural and economic development of the jurisdiction (Harris 1987). Although not a single member of the Northern Territory Cabinet at that time held a university degree, their value system envisaged a crucial developmental role for an institution that could offer the entire range of recognised qualifications ranging from Certificate One to Doctor of Philosophy.

This vision was succinctly summarised by the Chief Minister, Paul Everingham, in his speech to open the 1978 Northern Territory Teachers Federation annual conference at Kormilda College in Darwin. In keeping with the new government's efforts to make a fresh start in all matters, Everingham described the Territory's envisaged education structure would be 'an integrated system of education and training, universally available and lifelong, helping the people of the Northern Territory to develop and mature as individuals and participate in the development of their society' (Northern Territory Archives Service 1977–1979, p. 2). And the classic Australian reliance upon colonial socialism for the provision of skills and capital only encouraged this fledgling government to make use of the ministerial role of wealthy philanthropist. The outcome positioned vocational education as an integral contributor to economic and social improvements in the Northern Territory.

The Rockefeller Foundation's (Fisher 1983, p. 208) contribution to the creation of a new brand of intellectual—the technical expert who brings objectivity and academic science to bear on socioeconomic problems—in the context of efficient democratic government, furnishes ministers with specialised professionals who can implement practical methods of social control. In a similar pattern to the creation of foundations that distanced objectified philanthropic activities from the individual capitalists and allowed for an appearance of the dispassionate search for knowledge and societal improvement, the development of government agencies, inhabited by these technical experts, fulfils the same role. When this institutionalised distance is combined with Australian egalitarianism's expectation of active government, ministerial action becomes de-personalised, that is, any minister can be the philanthropist. It also deploys supposedly technical-rational expert programs (guaranteeing accountability for the use of public funds) and is responsive to the 'real needs' of the community that have been calculated from extensive information gathering activities. In

the face of repeated market failure in the Northern Territory and the many problematic groups of citizens, the minister's behaviour is aligned with that of wealthy philanthropists in yet another manner. The very rich philanthropists are driven by personal initiative and clear goals to improve the public good as a result of their voluntary contributions (Schuyt, Bekkers & Smit 2010, p. 4).



Figure 2. Paul AE Everingham, Member of the Legislative Assembly.

Source: Creator Unknown. PH0120/0035, N Gleeson Collection, Northern Territory Library.

This sentiment is clearly expressed in the reflections of several former chief ministers of the Northern Territory. The fourth government leader in the Territory, Marshall Perron describes, ‘Before I left politics I wanted to actually do something significant for society, something that changed peoples’ lives’ (Martin & Dewar 2012, p. 85). His successor, Shane Stone, concurred because he was guided into government ‘to serve the community’ (Martin & Dewar 2012, p. 95). ‘I wanted to make a difference’ was the response of the sixth Chief Minister, Denis Burke, when asked why he wanted to occupy the top office (Martin & Dewar 2012, p. 122). He went on to also add a long-familiar note of caution to future aspirants, ‘Don’t lose touch with the concerns of the ordinary voter—they put you there and they can easily remove you’ (Martin & Dewar 2012, p. 139). Former Commonwealth bureaucrat Don Russell’s (2014, p. 20) long experience is that ‘all political careers end badly and to answer the question what did it all mean, you have to have done things that left the nation a better place’. The act of standing for public office requires an extraordinary commitment of personal energy and concern for society, particularly in the deeply intimate political environment of the Northern Territory.

In his analysis of Australian ‘third sector’ organisations, Lyons (2001, p. 98) describes how citizens will form non-profit and cooperative organisations to either ‘provide a service or advocate a cause for themselves and their family or for others’. He believes the introduction of new public management encouraged the governments to increase funding to non-profits ‘to provide a further range of social services’ (Lyons 2001, p. 103). This has allowed non-profit organisations to thrive/survive because for governments ‘giving grants is always less expensive than providing services directly’ (Lyons 2001, p. 108). Equally importantly, these third sector organisations have become the repository of much technical and professional expertise that is required to exercise social control as governments have distanced themselves from service provision in order to concentrate on policy and funding matters. Lyons (2001, pp. 141–183) concludes that public sector bureaucracies can be seen in a similar position to a philanthropic trust or foundation. They both have developed systems to manage giving behaviour such as submission writing, planned accountability measures, quasi-vouchers and competitive tenders in some areas. In a political sense, it is also much easier for ministers to support and subsidise formally constituted organisations that simultaneously serve the interests of multiple community members while providing a relatively

efficient single point of contact for ministerial officers and government agencies. In addition, non-profit organisations provide a formal structure for receiving public funds that can be seen to protect the investment from personal greed or incompetent self-management skills on the part of individual recipients.

Having described the type of actions that are associated with the philanthropy of the wealthy, it is now time to turn to the motivations that guide the behaviour of this class of philanthropist. As proposed by Schervish (1998, pp. 600–601), a defining characteristic of philanthropy is the type of social signals to which it responds. Those who have access to an accumulation of resources that are well beyond their immediate needs and those of their children invariably wish to define a social agenda and shape the political, economic and cultural relations that are given form through the operations of the economy and the state (Schervish, Herman & Rhenisch 1986, p. 4). The giving behaviours of the wealthy philanthropists described earlier (the Rockefeller Foundation, the Bill & Melinda Gates Foundation, the Spanx philanthropy board and the Northern Territory Government) are directed by a desire to support a capitalistic free-market economy while reducing the impact of market failure. This economic system allowed the wealthy to gather the resources to redistribute in the first place and they are sensitive to signals of dysfunction that threaten the continued existence of this form of political economy. Measures that purport to demonstrate the alleviation of poverty, reduction of lawlessness and decreased social and, relevantly, educational inequality determine the course of action taken by the wealthy who give. This has resulted in ‘greater emphasis being given by philanthropists on strategic beneficence intended to bring about specific change’ (Hay & Muller 2013, p. 8). In Ostrower’s (1995) intensive study of over 100 wealthy philanthropists, a strong preference to support educational and cultural endeavours to achieve social goals was demonstrated. The wealthy organise giving in order to control the timing and size of gifts and to vary who gets what over time because they wish to shape ‘the conditions and institutional frameworks within which we live’ (Hay & Muller 2013, p. 4).

This concern with the welfare of the entire population has its origins in the very first descriptions of the workings of the capitalist economy. The eighteenth-century father of capitalism, Adam Smith, described ‘fellow feeling—a natural sense of identification with other human beings’ (Herman 2003, p. 196). Fellow feeling, according to Smith, leads to moral

judgements on the 'motivating passions' that guide peoples' behaviours towards others and the general functioning of economic society. As a result of this moral grounding, Smith believed that the rich would willingly redistribute their wealth to 'advance the interest of the society' (Herman 2003, p. 199). With social welfare and economic interests conjoined, the pursuits of the wealthy and the functioning of democratic states have developed into 'campaigns for citizenship [that] link demands for certain political and legal rights with projects to reform individuals at the level of their personal skills and competencies' (Barry, Osborne & Rose 1996, p. 1). In this context, vocational education and training becomes an attractive philanthropic practice of government because 'it matches the resources of the giver to the needs of the recipient through a social relation that is directly mobilised and governed by force of a morally armed entreaty' (Schervish 1998, p. 601). Citing Bratchell, Chard (1983, p. 19) describes the role given to further education (the same as vocational education and training in Australia) in the United Kingdom prior to World War Two: 'it was driven by a strong sense that it was a sort of a charity provided with a degree of social awareness and separate from educational considerations'.

The freedom of citizens in democratic states such as the Northern Territory is not anarchy and requires regulated responsible behaviour. 'The disadvantaged individual has come to be seen as potentially and ideally an active agent in the fabrication of their own existence' as a result of the choices they make in free market social and economic spheres (Rose 1996, p. 59). Partly because of the Rockefeller introduction of technical-rational strategies into the social sciences, those requiring assistance are rendered thinkable by authorities and experts in such a manner 'that their difficulties appear amenable to diagnoses, prescription and cure' (Rose 1996, p. 53). The use of such expertise allows government to move beyond arbitrariness and to gather intelligence on those citizens deemed in need of assistance to improve their place in 'a market governed by the rationalities of competition, accountability and consumer demand' (Rose 1996, p. 41). For Rose (1996, pp. 39–43), modern democratic governments have translated 'general political programs—efficiency, prosperity, productivity—into ways of exercising authority over places, people and activities' and the wealthy philanthropists join governments by deploying expert knowledge to contribute to the exercise of this 'form of moral and technical authority'.

Philanthropy and public policy become inextricably bound as they are both reactive to signals that are morally coloured and responsive to levels of socioeconomic dysfunction. Citizens with rights and responsibilities must be encouraged to make appropriate choices to remove the inequities they experience. And in order to address these threats and impediments to democratic capitalist state functionality, wealthy philanthropists frequently have represented the problem faced by the disadvantaged as one of a lack of access and opportunity. An unquestioning acceptance of arguments linking economic success to matters of equitable access can cause the organisations that deliver training on behalf of the Northern Territory Government to arrive at some unique perspectives on the expected behaviour of residents. In describing his work as a lecturer at Batchelor Institute of Indigenous Tertiary Education, Thorpe (2005) reports on the training provided to the many Indigenous prisoners serving time in Territory gaols. He proposes that a spell inside is a good thing as it promotes superior access to training and much-improved rates of attendance than is achievable on remote locations. Thorpe then reframes the conception of the prison as a 'community' in order to justify the application of vocational programs that were initially conceived to increase Indigenous self-management and community development and keep individuals out of the 'corrections centres'.

More specifically, the lack of access to health and education services is frequently singled out for attention because poor health, low levels of skills and illiteracy are statistically linked to reduced opportunity in employment and/or entrepreneurial success in the mainstream economy. Wealthy philanthropists have taken a particular interest in the improvement of these two areas. Possibly the highest global profile philanthropy of the super-rich is conducted through the Bill & Melinda Gates Foundation. This body is made up of four divisions with one dedicated to understanding how to best target the substantial resources of the foundation. The Global Health Division 'aims to harness advances in science and technology to save lives in developing countries' while the Global Development Division 'aims to identify and fund high impact solutions' to help 'people lift themselves out of poverty and build better lives' in situations where 'healthcare and education can be unaffordable luxuries' (Bill & Melinda Gates Foundation 2014). The final division describes its work as follows:

In the United States, our primary focus is on ensuring that all students graduate from high school prepared for college and have an opportunity to earn a postsecondary degree with labour-market value (Bill & Melinda Gates Foundation 2014).

However, the Gates Foundation interest in providing solutions to health and education problems is hardly new. In his description of the work of the Rockefeller Foundation, Fosdick (1989, p. x) reports that health and education were singled out for special attention based upon the Rockefeller family's 'moral force of Christian vision' combined with the 'intellectual rigour of modern scholarship'. He goes on to describe how the task facing the foundation's interest in improved access to opportunities for the poor was:

to reform society through the application of new techniques and forms such as scientific research, bureaucratic management and professional organisation to the issues of the day (Fosdick 1989, p. x).

The wealthy philanthropists align with the majority of educational theorists who position education as the 'great equaliser' and key to promoting social mobility (Bacchi 2009, p. 205). Education and training, rather than being perceived as tools of economic domination (Freire 1996), are consequently portrayed as the mechanisms that reduce social distinctions and give the poor a leg up on the economic ladder. The history of the Northern Territory's vocational education and training system, as will be repeatedly demonstrated throughout the rest of this story, has been totally dominated by the unquestionable belief that inadequate access to education and training has hindered social, cultural and economic development. Equality with the rest of the national population will be achieved by providing Territorians with access to similar education and training opportunities that are available 'down south'. As previously described, the establishment of a university based in the Northern Territory was justified on these grounds. The provision of access and opportunity also lend themselves to philanthropic action because the projects can be quantified and symbolised. Schervish (1998, p. 601) believes that the predominant means of communication in philanthropy is 'the symbolic medium of words and images'. This, of course, is also the business of politicians. As pointed out by Bacchi (2009, p. 32), 'giving meaning to concepts is what politics is all about. We invest a concept with a particular meaning in order to give shape to particular political visions'. In the case of the Northern Territory, this means the development of an advanced

market democracy in which citizens behave as economically responsible choice makers who look to government for financial assistance to provide access to vocational education and training.

The need to record and report on the quantity of schools and training facilities, numbers of students and apprentices, the levels of qualifications issued, competencies demonstrated, teachers and instructors employed, locations where training takes place, dollars allocated to particular industry sectors and so forth is widely accepted. As a culmination and celebration of all of this activity, ministers proudly preside over a range of awards ceremonies that symbolise all that is good with achievement in vocational education and training and the government's contribution to social and economic improvement. The minister's actions in providing and applauding increased access and opportunity is yet another example of the modern manifestation of 'colonial socialism' expected from governments who play a 'vital role in encouraging business' by supplying skilled labour and capital through systems of universal, lifelong education and building its supporting infrastructure (Lyons 2001, p. 99). Even the seemingly minor reduction in public philanthropy and government support for access to education and training can flare into a full-blown political bunfight in the Northern Territory. In an effort to reign in expenditure in 1985, the Northern Territory Government decided to introduce a charge for students using school buses. In an editorial entitled *The right bus*, the major Darwin newspaper of the time opined:

A political issue with the potential to do the Tuxworth Government enormous damage is school bus fares. It has struck a very raw nerve in a population long used to the benevolent arm of government in the Northern Territory (Editor 1985, p. 6).

The supposedly dire consequences of ministers choosing to reduce government public philanthropy described above takes this account of the behaviours and motivations of wealthy philanthropists full circle. It has been established that Northern Territory Government ministers with responsibility for vocational education and training are guided by the same social and economic determinants of behaviour as are wealthy philanthropists. The society they envisage is democratic, gives citizens regulated choices and is built upon free-market capitalism kept in check though non-market mechanisms to protect against market failure and maintain the idiosyncratic Australian form of colonial socialism. Education and training are seen to provide the skills and knowledge to

both support the economic development of the jurisdiction and also provide individual pathways to a better life and social equality through employment. Place and context matter because of the developing frontier-inspired regional values ‘manifested in community polity and civic commitment’ (Hay & Muller 2013, p. 7).

The importance to the minister of building and maintaining relationships with his or her local electorate has also been described in terms of avoiding political extinction at the next election. A minister also has yet another set of factors that guides behaviour as public philanthropist. Empirical studies on giving behaviour have identified the characteristics that are most important in the initiation of giving behaviour of the wealthy. For those who wish to influence ministerial decisions about which individuals and organisations are to be subsidised with public largesse, a working knowledge of the full range of things that influence would-be philanthropists is crucial to success or failure. Schervish et al. (1998, pp. 1–2) have demonstrated that ‘factors inducing identification of the self with the needs and aspirations of others’ have the most impact upon philanthropic behaviour. Communities of participation, defined by the networks of formal and informal relationships of the giver, are ‘by far the cluster with the strongest statistical relationship’ to giving behaviour. Their multivariate analysis demonstrates that identification models outweigh one’s ways of thinking, the existence of ample resources, youthful experience, socioeconomic urgency and direct requests for resources. Quite simply summarised, the ‘identification model remains central; association breeds identification and identification breeds charitable giving’ (Schervish, Coutsoukis & Havens 1998, p. 13). This statistical correlation supports the findings of a relatively large project that interviewed dozens of the super-rich to determine what motivated their giving behaviour. They ‘typically thought in terms of personal considerations, social and familial networks and identifications and attachments to different organisations’ based upon an ‘underlying ideological framework that informs their understanding of philanthropy as a social institution’ (Ostrower 1995, p. 113).

In describing the self-identity of the members of the Northern Territory’s unique Country Liberal Party, who were repeatedly re-elected following self-government for nearly a quarter of a century, Heatley (1998, p. 34) notes that the party is an uncomfortable place for ‘committed ideologues’ because ‘instrumental reasons—the opportunity to gain preferment for political office or to further business interests—are paramount’. Heatley labels the Country Liberal Party, now known simply as the Country

Liberals, as 'pragmatic and non-doctrinal' and that many associate the party with 'their own sense of Territory identity'. Weller and Sanders (1982, p. 40) quote one Northern Territory minister, 'there is no feeling of distance from the electorate among ministers', indeed as one put it, 'we are just ordinary Territory blokes, we just happen to be in this position'. 'But they know that to remain in their position they have to respond to the demands of those other ordinary Territorians' (Weller & Sanders 1982, p. 41). The most important determinant of giving behaviour, self-identification as a true Territorian, can be viewed as a major factor influencing a minister's longevity in office in the Northern Territory.

As part of a large international study into the drivers of giving behaviour, the Australian focus group results demonstrated that in addition to perceptions of the trustworthiness of the recipient 'people generally donate to charities that fit with their self-image' (Polonsky, Shelley & Voola 2002, p. 74). The former Northern Territory Chief Minister and Minister for Education and Training, Paul Henderson (universally known as 'Hendo'), became somewhat legendary in vocational education and training circles due to the repetitious telling of his training as an apprentice ship-fitter (for example, Martin & Dewar 2012, p. 176). This was his way of building rapport and identifying with both those in training and their employers. Other findings from this study found that for the recipients of philanthropic donations 'building stronger relationships with existing donors is an important part of raising funds' because 'the donors need to feel a sense of ownership with the charity's objectives and aims' (Polonsky, Shelley & Voola 2002, p. 77):

The most emphasised perceptual reaction was the fit of the charity with the donor's self-image. This is important because it means that charities have to develop messages that are congruent with the donor's self-image (Polonsky, Shelley & Voola 2002, p. 78).

However, there is also value in de-personalising the philanthropic relationship. The establishment of the Rockefeller Foundation, for example, was partially done to distance the individual family members from allegations of self-interested socioeconomic hegemony (Fosdick 1989). While a Northern Territory minister certainly needs to 'know' the recipient, the association between the two 'is directly mobilised and governed by force of a morally-armed entreaty' operating within an economic and political environment (Schervish 1998, p. 601). The Northern Territory Government agencies and their bureaucratic

processes serve the same role as private philanthropic foundations by mediating the relationship between the minister and the recipient. This is a delicate balancing act and requires highly honed political awareness and very acute attention to detail on the part of the expert public servants who work in the government agencies. Philanthropy is a reciprocal social connection where the needs of recipients 'present a moral claim to which donors may choose to respond' and the need is not the object, rather 'the object is persons in their need' (Schervish 1998, p. 601). Even though ministers can identify with a group in the community and then decide to support them with the provision of publicly subsidised vocational education and training, this relationship has another distinctive characteristic: 'the recipient of charitable donations is usually absent from the context in which the donation is made' (Bekkers & Wiepking 2007, p. 3). In the Northern Territory, this phenomenon of giving is put into practice through the use of resource agreements. These are contracts used by the government department (principal) to 'purchase' a certain number of qualifications or training hours from the training provider (agent). The individual student learner, target of the public subsidy, is not part of the financial transaction. While it is not uncommon for the minister to eventually meet some of those in training at the ubiquitous awards evenings, workplace visits or during 'good news' photo opportunities staged in training facilities, the recipient is completely absent from the philanthropic decision-making process.

The philanthropy of the wealthy is not about interpersonal relationships and behaviour. Even though philanthropy takes place within the context of electoral relationships, the goals are not personal as the benefits are to go to 'generalised others' and the well-being of society (Schuyt, Bekkers & Smit 2010). While the Northern Territory minister will frequently know and identify with the target of government munificence, the motivation for using vocational education and training is to benefit society in general. Even the economically conservative former Commonwealth Minister for Employment, Education, Training and Youth Affairs Dr David Kemp (1998) acknowledges the need for government action in order to increase access and opportunity: 'Public funding of vocational education and training is directed at the public good, including general skill development and meeting skill needs of industry and business'. The personal and working lives of Northern Territory Government ministers are governed by a constant balancing act between the intimate nature of their electorate, the desire to improve society and the necessity

to fairly and wisely use the public resources with which they have been entrusted. The role of wealthy philanthropist is both demanding and potentially rewarding for those who seek to manage society through the use of vocational education and training.

Each of the following chapters describes a particular time period and demonstrates how philanthropy through vocational education and training has been deployed in the Northern Territory as a result of European intervention into this remote and problematic part of the Australian continent. Tracing the ephemeral nature of the institutions used by the public authorities in the name of social and economic development will provide the context to exemplify how governments have gone about their business and produced ministers who act as wealthy philanthropists. Each chapter commences with a significant constitutional and political milestone that marks the Northern Territory's journey towards becoming a state-type entity on a nearly equal footing as the original states—created by the federation of six British colonies in 1901 to establish the Commonwealth of Australia as a constitutional monarchy.

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